



# MAFMA

## 2014 Semi-Annual Meeting

# WELCOME MEMBERS

# MAFMA Fall Semi Annual

## ● Agenda October 29, 2014

- Message from DCAMM Commissioner, Carole Cornelison
- Status Update on the Deferred Maintenance Process
- Presentation on “COFFEE,” a new funding source for energy efficiency projects. Ryan Harold
- Awarding of certificates of completion MAFMA University
- MAFMA Member of the Year award
- Member break out sessions
- Questions/ Comments

# **Message from Carole Cornelison, Commissioner, DCAMM**

# Deferred Maintenance Update

- Important Dates:
- October 30. All requests entered by agencies
- November 4. requests sent to Secretariats or Central Office for approval. Due back November 17
- Approximately 30 days later ISA's issued

# Deferred Maintenance Update

- FY 15 DM Training provided at four locations throughout the state. Completed 10/10.
- 175 students participated in classroom sessions
- 31 students received on line training
- ANF has authorized us to transfer \$44M in FY 15 for DM projects
- As of 10/28 we have 285 requests totaling \$138 M.

# Commonwealth Facility Fund for Energy Efficiency CoFFEE

Project Contact:

Ryan Harold

DCAMM

857-204-1449

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Division of Capital Asset Management and Maintenance

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## CoFFEE Overview



- Revolving fund that will provide financing to state agencies for small to medium scale energy efficiency projects
- The savings generated would be repaid into the fund
- Reinvested in new EE projects, creating a sustainable, long-term, and high-impact financing mechanism.
- Initial capital investment of \$500,000



# CoFFEE development



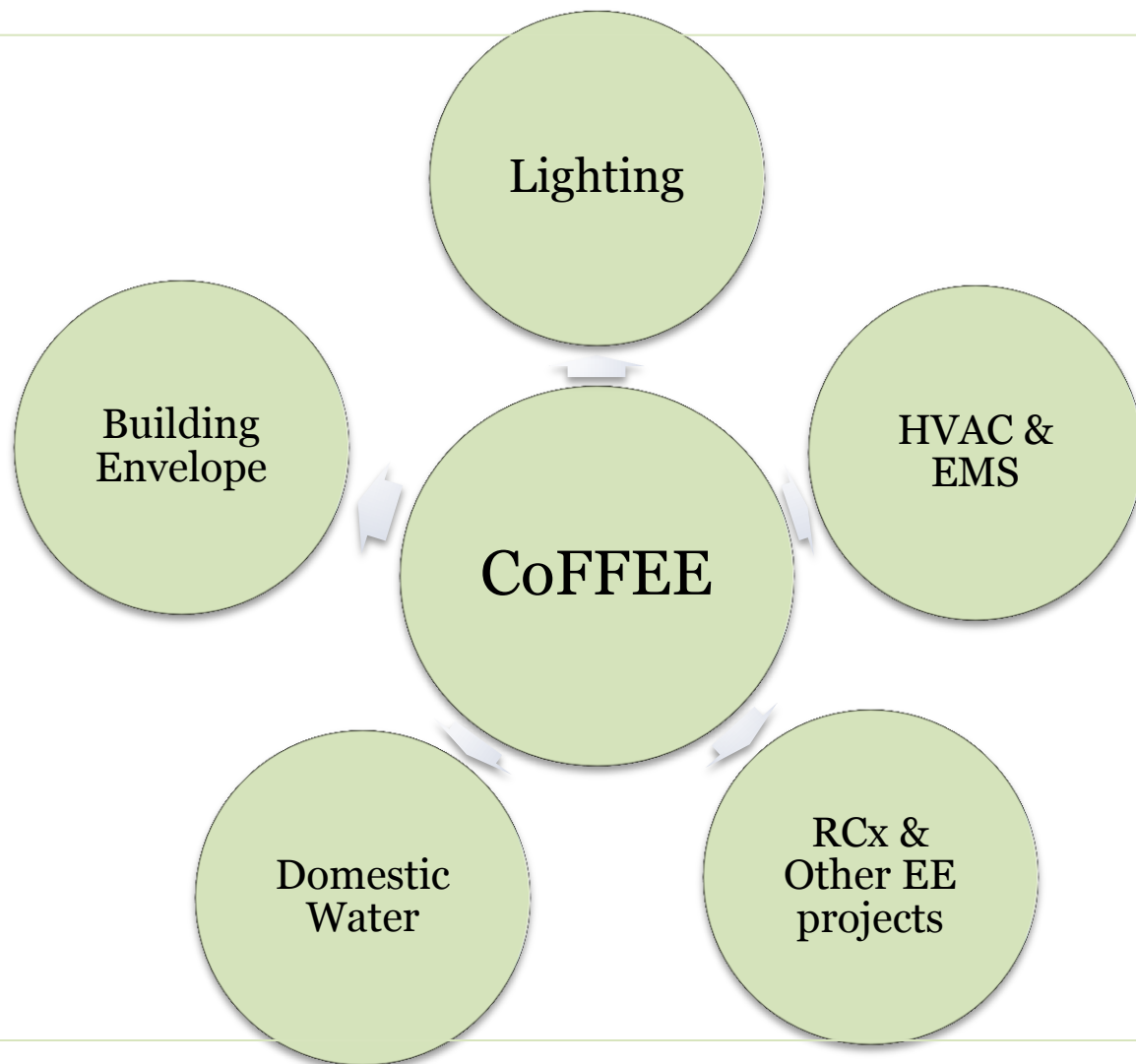
- Affordable
  - Small administration fee to sustain management of the fund over time
- Flexible
  - Varied repayment terms based on specific project paybacks
  - Program can be used on an ongoing basis
- Sustainable
  - Self-replenishing
  - Reinvestment of the repayments in new energy efficiency projects
  - Leverage successes, best practices, and lesson learned from completed projects to identify new energy efficiency projects.
- Accountable
  - System has checks and balances

## CoFFEE Goals

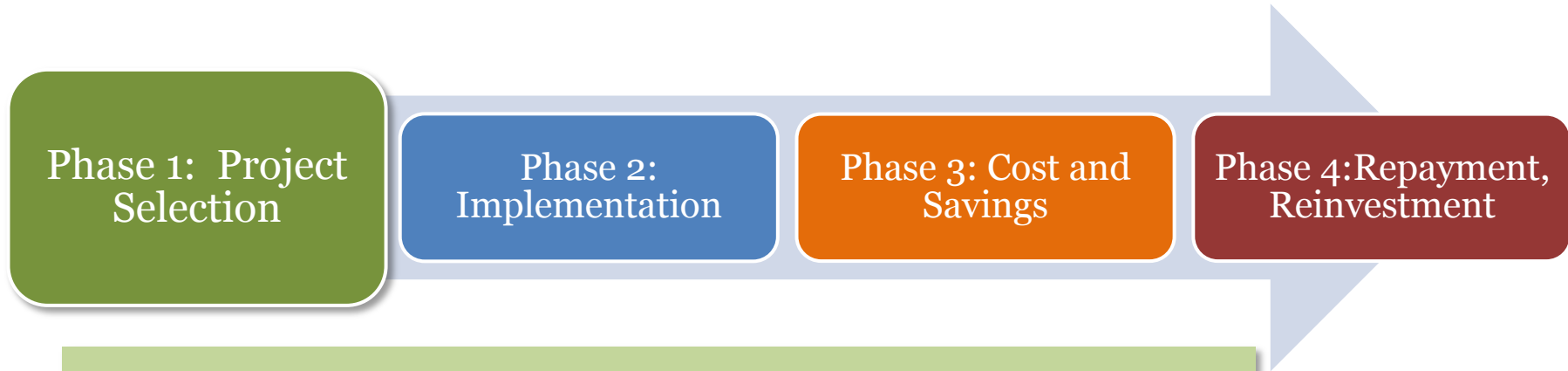


- Provide capital to state facilities to finance small and medium energy efficiency projects at state facilities.
- Foster new energy and water efficiency projects and innovation.
- Engage agencies that have not previously been involved in DCAMM managed projects.
- Reduce costs, utility usage and associated environmental impacts.
- Provide educational benefits

CoFFEE may be used by state agencies to finance all or part of energy efficiency projects

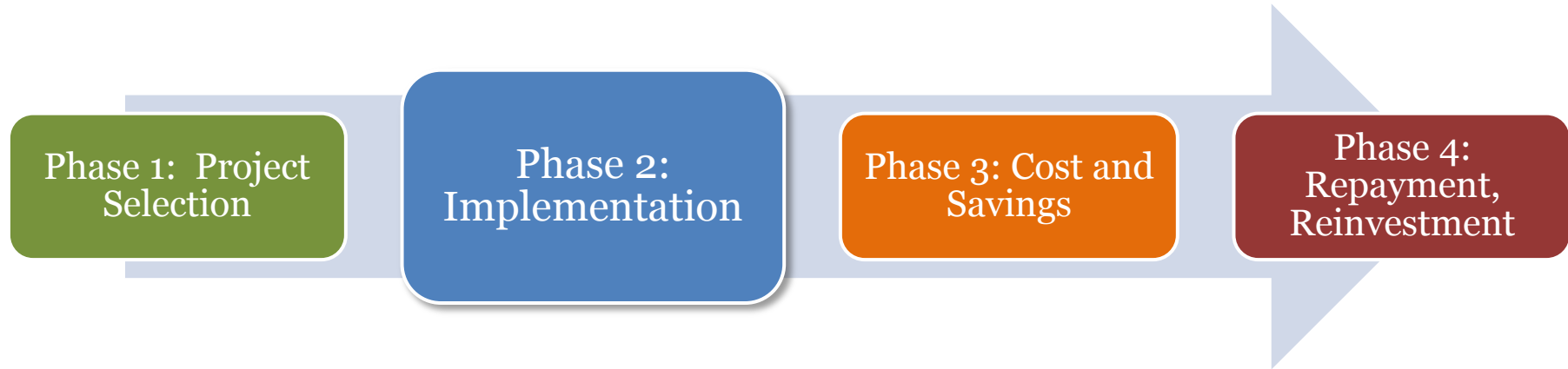


# CoFFEE Revolving Fund Process



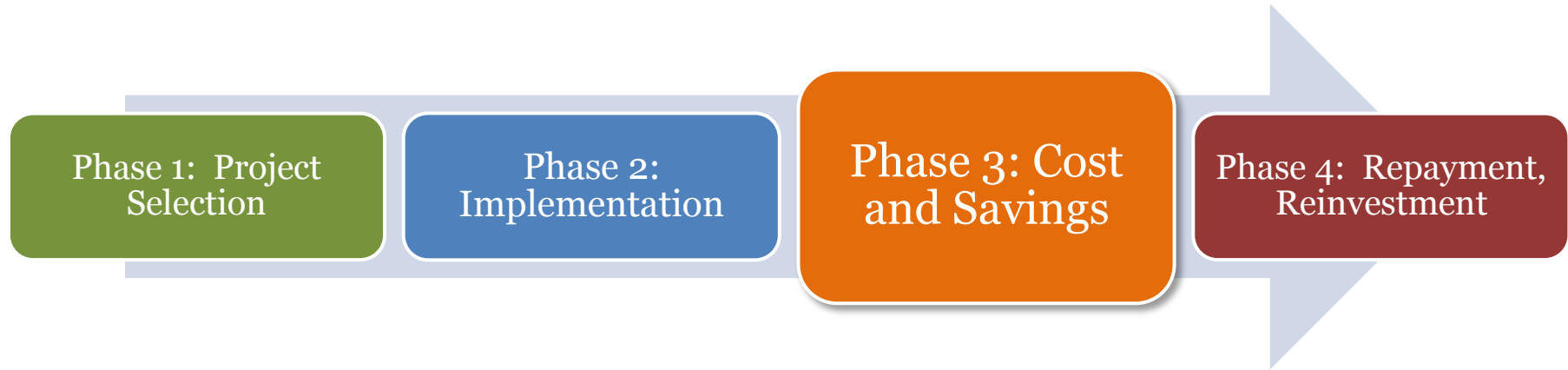
1. Project Applications submitted
2. Application review criteria:
  - Feasibility and practicality of the project
  - Energy cost payback or the project
  - Energy cost savings
  - Environmental and other benefits or the project
  - Availability of funding in CoFFEE

# CoFFEE Process



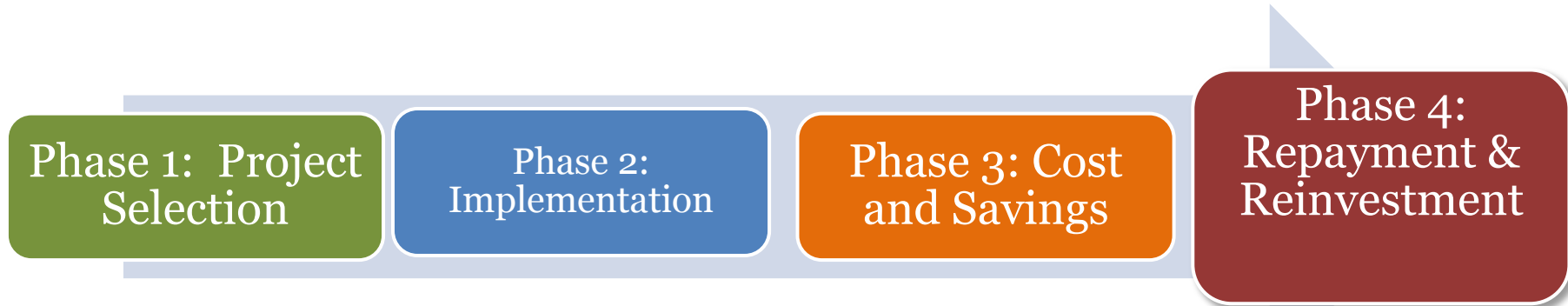
1. Repayment schedule determined
2. Funds Transferred to agency Interdepartmental Service Agreement (ISA) or other mechanism
3. Energy Conservation Measure(s) are installed.

# CoFFEE Process



1. Cost and energy use are reduced as a result of the implemented ECM
2. Energy reduction is track through Mass Energy Insight or similar tracking mechanism

# CoFFEE Process



- User Agency will repay a pre-determined percentage of savings back to the fund
- Funds received will go back into the general CoFFEE fund
- During this time new application will be reviewed
- Once funding level are met, new set of selection are made



## Updates

- MAFMA e-mails
- DCAMM Energy Website
  - [Mass.gov/dcomm/energy](http://Mass.gov/dcomm/energy)
- Project Contact:  
Ryan Harold  
DCAMM  
857-204-1449  
[ryan.harold@state.ma.us](mailto:ryan.harold@state.ma.us)

## Timeline

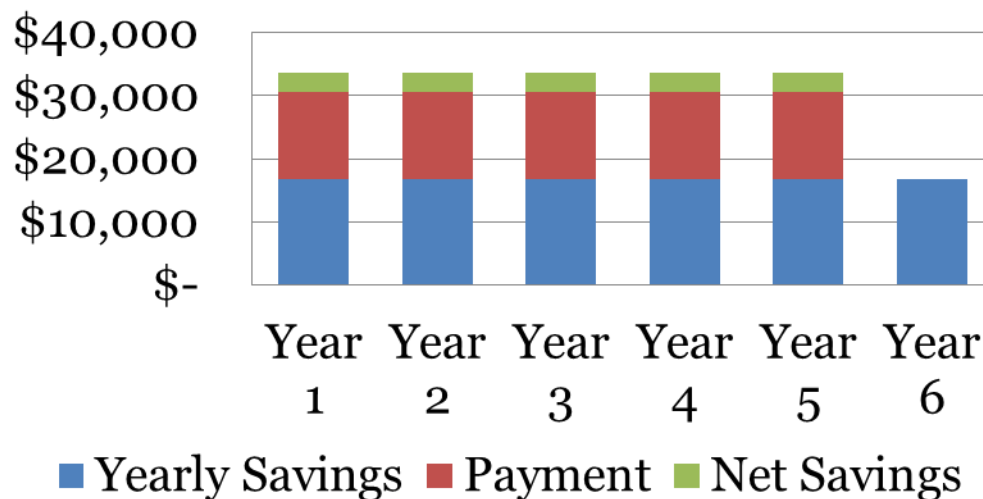
- Application and program guidelines
- Application solicitation
- Projects Awarded



# CoFFEE Finance Example - Option 1

## Lemuel Shattuck Hospital

- Lighting upgrade to LED
- Cost \$97,874
- Rebate \$(28,942)
- CoFFEE Finance \$68,932
- Yearly Savings \$16,801
  - Payback 4.1 years



## Loan Overview

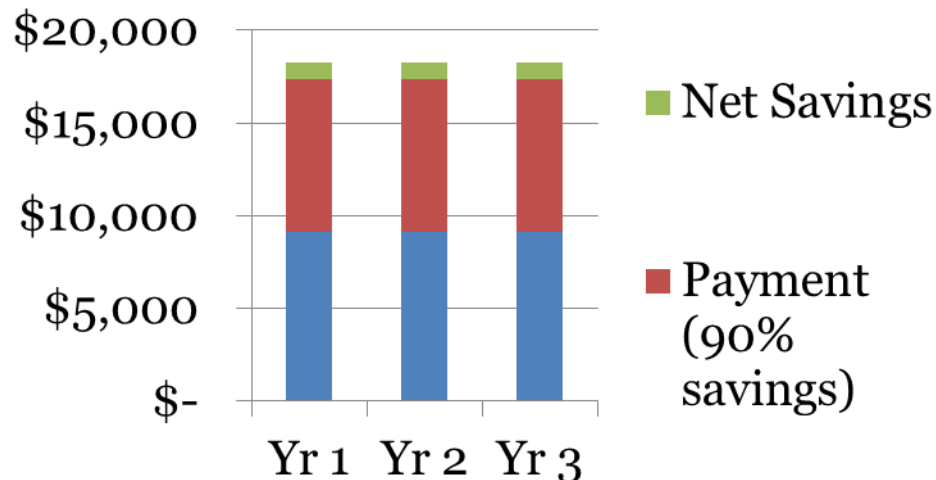
- Straightforward loan
- No Fee
- Inflation, energy price increases and discount rate no include
- Facility keeps all savings after year 5 payment

| Schedule | Savings  | Payment  | Net Savings |
|----------|----------|----------|-------------|
| Year 1   | \$16,801 | \$13,787 | \$3,015     |
| Year 2   | \$16,801 | \$13,787 | \$3,015     |
| Year 3   | \$16,801 | \$13,787 | \$3,015     |
| Year 4   | \$16,801 | \$13,787 | \$3,105     |
| Year 5   | \$16,801 | \$13,787 | \$3,015     |
| Total    | \$84,005 | \$68,932 | \$15,073    |

# CoFFEE Finance Example - Option 2

## Ware Armory

- Lighting, EMS & Insulation
- Cost: \$26,483
- Rebate: \$3,174
- CoFFEE Finance: \$23,609
- Saving (yr): \$9,134
  - Payback 2.6 years



## Loan Overview

- Facility pays back 90% of savings
- No Fee
- CoFFEE fund benefits from year 3 payment

|        | \$23,609 | Savings  | Payment  | Net Savings |
|--------|----------|----------|----------|-------------|
| Year 1 |          | \$9,134  | \$8,221  | \$913       |
| Year 2 |          | \$9,134  | \$8,221  | \$913       |
| Year 3 |          | \$9,134  | \$8,221  | \$913       |
| Total  |          | \$27,402 | \$24,663 | \$2,739     |

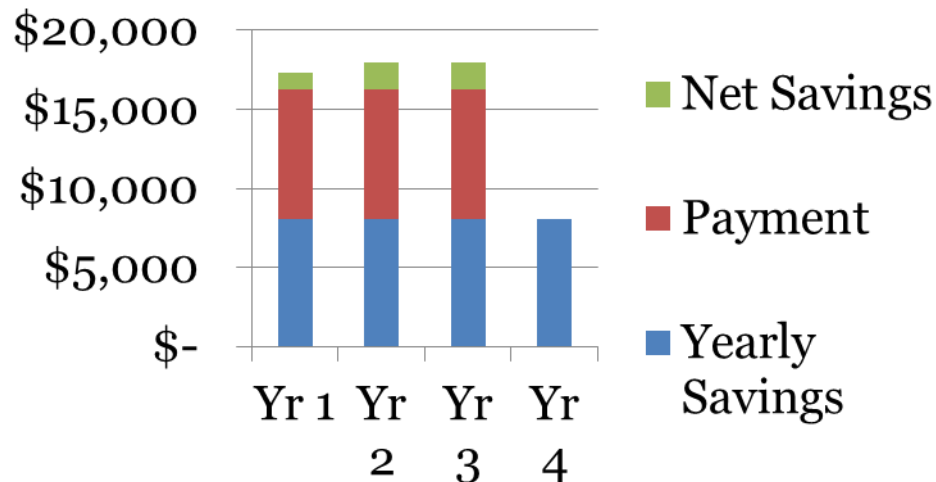
**CoFFEE Increased**

**\$1,054**

# CoFFEE Finance Example - Option 3

## Georgetown Health Services

- Lighting Upgrades
- Cost: \$19,140
- Rebate: \$0 (municipal)
- Admin Fee: \$574
- CoFFEE Finance: \$19,140
- Saving (yr): \$8,037
  - Payback 2.4 years



## Loan Overview

- 3% fee for total project cost, paid 1<sup>st</sup> year
- All saving to facility in year 4

| \$19,140 | Savings  | Payment  | Net Savings |
|----------|----------|----------|-------------|
| Year 1   | \$8,037  | \$6,954  | \$1,083     |
| Year 2   | \$8,037  | \$6,380  | \$1,657     |
| Year 3   | \$8,037  | \$6,380  | \$1,657     |
| Total    | \$24,111 | \$19,714 | \$4,397     |

**CoFFEE Increased**

**\$574**

# MAFMA University

- In FY 13-14 we offered 22 sessions in which 419 state employees participated.
- In FY 12-13 we offered 14 sessions in which 328 state employees participated
- We added a “Center of Excellence” certificate program to the existing Supervisor and Masters certificate classes.

# MAFMA University

## Congratulations to our Graduates

### ○ Supervisor Session

- Randy Branson
- Chris Lanoue
- TJ McCarthy
- Frank Morande

### ○ Masters Session

- TJ McCarthy
- Edward Nicolau
- Rolando Serena
- James Stocker
- Michael Temple

# MAFMA Member of the Year Award Nominations

- Daniel Burke, Salem State University
- Joseph Hogan, Department of Youth Services
- John (Jack) Kennedy, Chief Medical Examiner
- Francis P. Marchand, Department of Mental Health
- Dana Margolis, Essex County Sheriff
- Marcel Tremblay, MCI Concord

# Member Break Out Sessions

- 1) List Serve
- 2) MAFMA University
- 3) Accelerated Energy Program
- 4) Tool Barn
- 5) New Ideas/Suggestions
- 6) Deferred Maintenance Procedures

# Final Questions/Comments



# Thank you for Coming

See you at an upcoming event:

Committee Meetings (as scheduled)

Training Sessions (check your e-mail)

Spring Meeting (May 2015)